

Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 PM-07 SEC-03 MC-02 NSC-10 SPC-03 SAM-01

SS-20 RSC-01 CIAE-00 INR-10 NSAE-00 DODE-00 OMB-01

TRSE-00 EB-11 COME-00 PRS-01 L-03 DRC-01 /095 W

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R 042245Z FEB 74

FM AMEMBASSY SAN SALVADOR

TO SECSTATE WASHDC 4642

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C O R R E C T E D C O P Y (TEXT)

E.O. 11652 - N/A

TAGS: BBAK, ETRN

SUBJECT: PROPOSED HELICOPTER/AIRCRAFT PLANT (PATTERSON CORP.)

REF: A) STATE 007598; B) SAN SALVADOR 0256

1. LARRYCARR, PRESIDENT OF PATTTERTSON CORP., RETURNED TO EL SALVADOR FEB 2 AFTER AN ABSENCE OF SOME TWO WEEKS, AND TOLD EMBOFF MOMENTUM IS BUILDING FOR HIS PROPOSED CENTRAL AMERICAN AEROSPACE PROJECT. HE SAID THE ONLY UNCERTAINTY IN SHIPMENT OF THE HELICOPTER PARTS FROM CALIFORNIA AROUND FEB 16 IS THE AVAILABILITY OF SHIP CARGO SPACE. HE EXPECTS HIS "BANKERS" HERE THIS WEEK TO DISCUSS RELATIONSHIPS WITH FIRST NATIONAL CITY BANK. CARR SAID THE COMPANY WOULD MOST LIKELY MAKE ARRANGEMENTS WITH CITI-BANK IN NEW YORK BUT UTILIZE THE LOCAL BRANCH FACILITIES. HE BELIEVES HE HAS CLOSE TO THE \$400,000 NEEDED TO FINANCE SHIPMENTS AND EARLY START-UP EXPENSES, EXPENSES HE WOULD INCUR BEFORE HE COULD DRAW ON POSSIBLE INSAFI FINANCING.

2. HE ALSO EXPECTS THE VISIT AROUND FEB 6 OF THE PRESIDENT OF AMCOURT (BELIEVE A MR. DESCHAMPS), WHICH FIRM OWNS 115,000 SHARES IN PATTERSON AND WHO, ACCORDING TO CARR, IS HIS CHIEF BACKER. CARR DESCRIBES HIM AS A HIHGLY RESPECTED

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INSURANCE MAN WITH GOOD CITIBANK CONTACTS.

3. IN A PHONE CONVERSATION FEB 4 WITH EMBOFF, CARR WENT AT SOME LENGTH DESCRIBING HIS EFFORTS TO CLARIFY ISSUES WITH THE SEC. HE SAID HE WAS IN CONTACT AGAIN WITH MR KELLY OF THE SEC'S ATLANTA OFFICE AND HE BELIEVES THE SEC'S INTEREST IS IN SEEING REMOVED FROM PATTERSON PERSONS OF THE OLD MANAGEMENT WHO ALLEGEDLY DECEIVED THE PUBLIC. CARR SAYS THESE INDIVIDUALS NO LONGER HAVE INTERESTS IN PATTERSON AS THEY WERE RECENTLY BOUGHT OUT (SEE REFTEL). CARR REPORTED THAT MAJOR CORPORATE CHANGES ARE BEING SOUGHT. THE SALVADORAN OPERATION, CENTRAL AMERICAN AEROSPACE, WHOSE INCORPORATION PAPERS ARE BEING PROCESSED NOW, IS TO BE COMPLETELY DIVORCED FROM PATTERSON AS A SALVADORAN COMPANY. ITS ONLY CONNECTION WITH PATTERSON IS TO BE AS DEBTOR, SINCE IT WILL PURCHASE THE HELICOPTER PARTS AND PAYMENT WILL BE OVER A MODERATE TIME PERIOD. PATTERSON, IN TURN, IS SEEKING TO CHANGE ITS NAME TO THE INTER-AMERICAN COMPANY, CHIEFLY A HOLDING COMPANY FOR THE SUNDRY ACTIVITIES SUCH AS THOSE CARR BROUGHT INTO IT. SINCE ITS SHAREHOLDERS WILL NUMBER AROUND TEN, PATTERSON OFFICIALS ARE DISCUSSING WITH THE SEC (ATLANTA) WHETHER OR NOT IT WILL BE NECESSARY FOR IT TO BE A "REPORTING COMPANY" AS REGARDS THE SEC.

4. COMMENT: IF SOME OF THE HELICOPTER PARTS INVOLVED IN THE REPORTED, IMMINENT SHIPMENT DO IN FACT REQUIRE USG/MC LICENSING THE DEPARTMENT MAY WISH TO INTENSIFY ITS ALERT ON THE PROPERTY (STATE 238592, PARA 3). IF, REPEAT IF, PATTERSON IS COMPERATING AS CLOSELY WITH SEC'S ATLANTA OFFICE AS CARR INDICATES, THERE WOULD APPEAR TO BE A DELAY IN COMMUNICATIONS BETWEEN ATLANTA AND SEC WASHINGTON. IN VIEW OF DEVELOPMENTS REPORTED IN PRECEDING PARAGRAPHS, THE DEPARTMENT WILL APPRECIATE OUR INTEREST IN THE EARLIEST POSSIBLE DEFINITIVE INFORMATION RE RELIABILITY/BONA FIDES OF PATTERSON.
MOSKOWITZ

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Message Attributes

Automatic Decaptioning: X
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Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Reason:
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